

PNRM 0427146431

C-103 Received 9-22-2004
DHC No. Assigned 9-24-2004

	Order Number	API Number	Operator	County	
	HOB-0094	30-025-10145	Pure Resources, L.P.	Lea	
	Order Date	Well Name	Number	Location	
		Brunson Argo	013	A UL	19 Sec
				22S T (+Dir)	37E R (+Dir)
Pool 1	49210	Paddock	94%	65%	
Pool 2	06660	Blinebry Oil & Gas (Oil)	6%	35%	
Pool 3					
Pool 4					
Comments: Work completed effective _____ Work cancelled effective _____ Supplement _____					

9-27-2004
Posted to
RBD m &

B

DOWNHOLE COMMINGLE CALCULATIONS:

30-025-10145
HOB-0094

OPERATOR: Pure Resources, L.P.

PROPERTY NAME: Brunson Argo

WNULSTR: 13-A, 19-22-37

49210 SECTION I:
POOL NO. 1 Paddock ALLOWABLE AMOUNT 107 642 MCF 6000
06660 POOL NO. 2 Blinebry Oil + Gas (Oil) 107 428 MCF 4000
POOL NO. 3 _____ MCF
POOL NO. 4 _____ MCF
POOL TOTALS 214 1070

SECTION II:
POOL NO. 1 Paddock Oil Gas
POOL NO. 2 Blinebry Oil + Gas (Oil) $94\% \times 214 = 201.16$ 45%
6% 35%
POOL NO. 3 _____
POOL NO. 4 _____

OIL GAS
SECTION III:
 $107 \div 94\% = 113.83 = 114$ _____
SECTION IV:
 $114 \times 94\% = 107.16$ (107) _____
 $114 \times 6\% = 6.84$ (7) _____

Submit 3 Copies To Appropriate District Office

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM

87505

State of New Mexico
Energy, Minerals and Natural ResourcesOIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103

Revised June 10, 2003

WELL API NO. 30-025-10145	
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name Brunson Argo	
8. Well Number 13	
9. OGRID Number 150628	
10. Pool name or Wildcat Blinbry Oil & Gas/Paddock	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,414.5' GR	

SUNDY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Pure Resources, L. P.

3. Address of Operator 500 W. Illinois
Midland, Texas 79701

4. Well Location
Unit Letter A : 731 feet from the North line and 739 feet from the East line
Section 9 Township 22S Range 37E NMPM County Lea

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐TEMPORARILY ABANDON ☐ CHANGE PLANS ☐PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☒OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐CASING TEST AND CEMENT JOB ☐OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Pure Resources, L. P. respectively requests administrative approval to Downhole Commingle production from the Blinbry Oil & Gas Pool (06660) and the Paddock Oil Pool (49210) as per OCD Order No. R-11363.

(SEE ATTACHED)

DHC Order No. HOB-0094

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Alan W. Bohling TITLE Regulatory Agent DATE 03/30/2004
Type or print name Alan W. Bohling E-mail address: abohling@pureresources.com Telephone No. (432)498-8662
(This space for State use)

APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE SEP 24 2004
Conditions of approval, if any:

**ATTACHMENT FOR C-103 NOTICE OF INTENT TO: MULTIPLE
COMPLETION**

In accordance with OCD Order No. R-11363, Amending Rule 303.C, (Case No. 12346 with Exhibit "A") approved on April 26, 2000, Pure Resources, L. P. respectfully requests permission to Down Hole Commingle (DHC) the **Blinebry Oil & Gas (06660)** and the **Paddock (49210)** oil pools in the following well:

**Brunson Argo Well No. 13
731' FNL & 739' FEL
UL A, Sec. 9, T-22-S, R-37-E
Lea County, New Mexico**

Perforated Intervals:	Blinebry Oil & Gas	5,480' – 5,752'
	Paddock	5,020' – 5,400'

Allocation Method:	The Allocation of Production will be determined later by utilizing either the total commingled production rate minus the established production rate from the Blinebry Oil & Gas or from testing of each individual zone.
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The Paddock interval is uneconomical to drill or complete as a stand-alone well. To develop these reserves, a dual or commingled completion is required. A dual completion is very costly and inefficient. Therefore, approval of DHC of production is necessary to prevent waste and enable recovery of Paddock reserves, which would otherwise remain undeveloped.

The lease is a Fee Lease with both intervals having common ownership and each interval is an oil zones producing both oil and gas. We do not anticipate any cross flow problems between these zones due to their depleted nature. The low producing volumes from each zone necessitates placing the well on pump and maintaining a pumped-off condition as much as possible. We are not aware of any incompatibility between the fluids produced from these intervals or expect any reduction in value or loss of reserves by downhole commingling.

AWB

AWB 03/30/2004

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-10145		2 Pool Code 06660		3 Pool Name Blinebry Oil & Gas	
4 Property Code 26773		5 Property Name BRUNSON ARGO			6 Well Number 13
7 OGRID No. 150628		8 Operator Name Pure Resources, L. P.			9 Elevation 3414.5 GR

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	9	22S	37E		731	North	739	East	Lea

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 40	13 Joint or Infill	14 Consolidation Code	15 Order No.
--------------------------	--------------------	-----------------------	--------------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16				<p>40 acres</p>	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Alan W. Bohling Printed Name Regulatory Agent Title 3/30/2004 Date
					18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey Signature and Seal of Professional Surveyor:
					Certificate Number

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Form C-102

Revised October 18, 1994

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Property Code 26773	Property Name BRUNSON ARGO		Well Number 13
OGRID No. 150628	Operator Name Pure Resources, L. P.		Elevation 3414.5 GR

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Dedicated Acres 40		Joint or Infill		Consolidation Code		Order No.			

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	<p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>
	<p>Certificate Number</p>

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87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
March 4, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025- 34509 10145
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Brunson Argo (26773)
8. Well Number 13
9. OGRIN Number 150628
10. Pool name of Blinebry O&G (Oil) (06660) & Paddock (49210)

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PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☒

OTHER: Proposed Allocation of DHC Production ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

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Pure Resources is now planning to enter back into this wellbore to remove a RBP set @ 5,400' separating the current production testing Paddock Pool to DHC with the Blinebry Oil & Gas (Oil) Pool. We now believe that we have tested the Paddock zone and established a stabilized rate of 30 BOPD, 77 MCFPD and 100 BWPD. The Blinebry Oil & Gas (Oil) zone previously averaged over the last year at a stable rate of 2 BOPD, 41 MCFPD and 40 BWPD. Once Downhole Commingled we anticipate this well to produce at a combined rate of 32 BOPD, 118 MCFPD and 140 BWPD. Therefore, we would like to propose using the following Allocation of Production Scenario for the commingled production:

		OIL	GAS	WATER
<06660>	Blinebry O&G (Oil)	6%	35%	29%
<49210>	Paddock	94%	65%	71%

(PLEASE SEE ATTACHED PRODUCTION SUMMARIES/CHARTS)

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Alan W. Bohling TITLE Regulatory Agent DATE 08/26/04

Type or print name Alan W. Bohling E-mail address: abohling@pureresources.com Telephone No. (432) 498-8662
(This space for State use)

APPROVED BY PAUL F. KAUTZ TITLE PETROLEUM ENGINEER DATE SEP 24 2004
Conditions of approval, if any: PETROLEUM ENGINEER

Brunson Argo #13 Well - Paddock Only Production

Date	Oil (BOPD)	Gas (MCFPD)	Water (BWPD)
5/26/2004	20	12	47
5/27/2004	52	0	137
5/28/2004	79	0	225
5/29/2004	47	0	210
5/30/2004	50	0	166
5/31/2004	33	0	162
	281	12	947

MAY	OIL	GAS	WTR
AVG.	47	2	158

Date	Oil (BOPD)	Gas (MCFPD)	Water (BWPD)
6/1/2004	36	0	154
6/2/2004	35	0	145
6/3/2004	34	0	140
6/4/2004	30	0	140
6/5/2004	41	0	144
6/6/2004	39	0	140
6/7/2004	28	0	146
6/8/2004	36	0	145
6/9/2004	36	0	145
6/10/2004	6	0	30
6/11/2004	10	0	20
6/12/2004	10	0	0
6/13/2004	10	0	0
6/14/2004	39	0	0
6/15/2004	12	0	0
6/16/2004	57	0	120
6/17/2004	44	0	145
6/18/2004	43	0	140
6/19/2004	31	0	0
6/20/2004	21	0	139
6/21/2004	35	0	125
6/22/2004	29	0	0
6/23/2004	25	0	110
6/24/2004	32	0	140
6/25/2004	31	0	125
6/26/2004	23	0	120
6/27/2004	29	0	135
6/28/2004	33	58	113
6/29/2004	13	88	127
6/30/2004	55	84	110
	903	230	2998

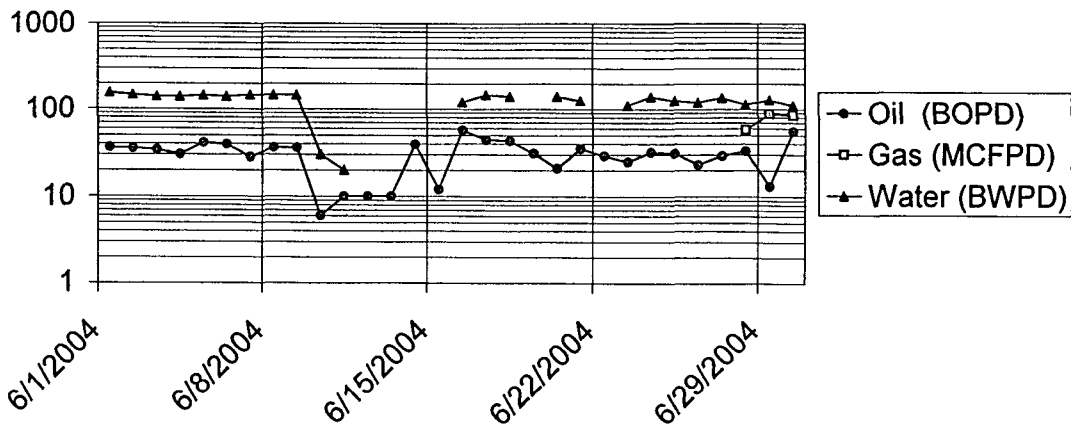
JUNE	OIL	GAS	WTR
AVG.	30	77	100

Use these.

OIL 33 GAS 77 WTR 110
[15 day average at end of period]

Gas production up to 6/27/04 mostly CO2.
from fracture treatment.

**Brunson Argo #13
PADDOCK ONLY PRODUCTION**



LEA NM
 BRUNSON ARGO 13
 PURE RESOURCES LIMITED PARTNER
 ACTIVE

Production Report

Lease Name:	BRUNSON ARGO	Well Number:	13
Lease Number:	020000	Cum Oil:	26,906
Operator Name:	PURE RESOURCES LIMITED P	Cum Gas:	2,227,410
State:	NEW MEXICO	Cum Water:	78,419 since JAN 1974
County:	LEA	First Production Date:	SEP 1963
Field:	BLINEBRY	Last Production Date:	MAR 2004
Sec Twn Rng:	9A 22S 37E	Spot:	
Latitude/Longitude:	32.41155 -103.16159	Lat/Long Source:	TS
Regulatory #:		Completion Date:	
API:	30025101450000	Total Depth:	6580
Production ID:	2300210251014506660	Upper Perforation:	5480
Reservoir Name:	BLINEBRY	Lower Perforation:	5624
Prod Zone:	BLINEBRY	Gas Gravity:	
Prod Zone Code:	452BLBR	Oil Gravity:	
Basin Name:	PERMIAN BASIN	Temp Gradient:	
Gas Gatherer:		N Factor:	
Liquid Gatherer:		GOR:	
Status:	ACTIVE		
Well Type:	ACTIVE PRODUCING-GENERAL	Water Depth:	

Annual Production			(33 years)
Year	Oil BBLs	Gas MCF	Water BBLs

Beginning

Cum:	9,852	711,239	
1970	1,145	110,447	
1971	624	81,604	
1972	488	119,159	
1973	350	84,849	
1974	985	89,098	487
1975	1,475	55,624	979
1976	671	87,475	728
1977	403	97,843	271
1978	1,090	70,146	567
1979	790	75,581	471
1980	420	67,112	290
1981	496	61,064	52
1982	346	59,419	228
1983	93	30,585	415
1984		39,797	85
1985	74	30,760	269
1986	157	19,652	419
1987	414	33,730	187
1988	332	32,750	599
1989	618	31,321	922

1990	305	29,387	171
1991	405	28,054	99
1992	169	29,580	242
1993		21,460	
1994	218	14,164	
1995	247	22,942	
1996	169	9,404	
1999	217	3,093	1,607
2000	1,291	20,102	28,204
2001	1,204	22,781	11,619
2002	959	19,081	14,822
2003	809	14,901	14,504
2004	90	3,206	182
Totals:	<u>26,906</u>	<u>2,227,410</u>	<u>78,419</u>

Monthly Production		(Most recent 48 of 386 months)					
Date	Oil	Gas	Water	Cond Yld	% Water	# of	Days
MO/YR	BBLS	MCF	BBLS	BBLS/MCF		Wells	on
<hr/>							
MAR 2000	201	2,744	1,639	73.26	89.08	1	31
APR 2000	174	2,591	1,484	67.16	89.51	1	30
MAY 2000	180	2,606	1,574	69.08	89.74	1	31
JUN 2000	193	2,497	1,493	77.30	88.55	1	30
JUL 2000	0	0	0			0	0
AUG 2000	0	0	0			0	0
SEP 2000	0	0	0			0	0
OCT 2000	106	2,373	1,958	44.67	94.86	1	31
NOV 2000	132	2,206	16,654	59.84	99.21	1	30
DEC 2000	130	2,144	1,867	60.64	93.49	1	31
Totals:							
2000	<u>1,291</u>	<u>20,102</u>	<u>28,204</u>				
<hr/>							
JAN 2001	130	2,126	1,931	61.15	93.69	1	31
FEB 2001	102	1,852	1,275	55.08	92.59	1	28
MAR 2001	94	2,041	1,052	46.06	91.80	1	31
APR 2001	137	2,023	962	67.73	87.53	1	30
MAY 2001	108	2,013	647	53.66	85.70	1	31
JUN 2001	92	1,791	581	51.37	86.33	1	30
JUL 2001	99	1,907	498	51.92	83.42	1	31
AUG 2001	98	1,894	430	51.75	81.44	1	31
SEP 2001	90	1,807	471	49.81	83.96	1	30
OCT 2001	25	1,855	1,271	13.48	98.07	1	31
NOV 2001	90	1,800	1,230	50.00	93.18	1	30
DEC 2001	139	1,672	1,271	83.14	90.14	1	31
Totals:							
2001	<u>1,204</u>	<u>22,781</u>	<u>11,619</u>				
<hr/>							
JAN 2002	50	1,613	1,271	31.00	96.21	1	31
FEB 2002	86	1,343	1,148	64.04	93.03	1	28
MAR 2002	95	1,842	1,271	51.58	93.05	1	31
APR 2002	82	1,600	1,148	51.25	93.33	1	28
MAY 2002	88	1,820	1,271	48.36	93.52	1	31

JUN 2002	81	1,560	1,169	51.93	93.52	1	30
JUL 2002	84	1,600	1,271	52.50	93.80	1	31
AUG 2002	84	1,622	1,271	51.79	93.80	1	31
SEP 2002	81	1,537	1,230	52.71	93.82	1	30
OCT 2002	73	1,590	1,271	45.92	94.57	1	31
NOV 2002	76	1,477	1,230	51.46	94.18	1	30
DEC 2002	79	1,477	1,271	53.49	94.15	1	31

Totals:							
2002	959	19,081	14,822				

JAN 2003	76	1,478	1,271	51.43	94.36	1	31
FEB 2003	60	1,321	1,148	45.43	95.03	1	28
MAR 2003	41	1,420	1,271	28.88	96.88	1	31
APR 2003	97	1,305	1,230	74.33	92.69	1	30
MAY 2003	71	1,414	1,271	50.22	94.71	1	31
JUN 2003	76	1,207	1,230	62.97	94.18	1	30
JUL 2003	57	1,323	1,271	43.09	95.71	1	31
AUG 2003	65	1,305	1,271	49.81	95.13	1	31
SEP 2003	69	1,226	1,230	56.29	94.69	1	30
OCT 2003	66	1,235	1,271	53.45	95.06	1	31
NOV 2003	66	1,045	1,230	63.16	94.91	1	30
DEC 2003	65	622	810	104.51	92.57	1	31

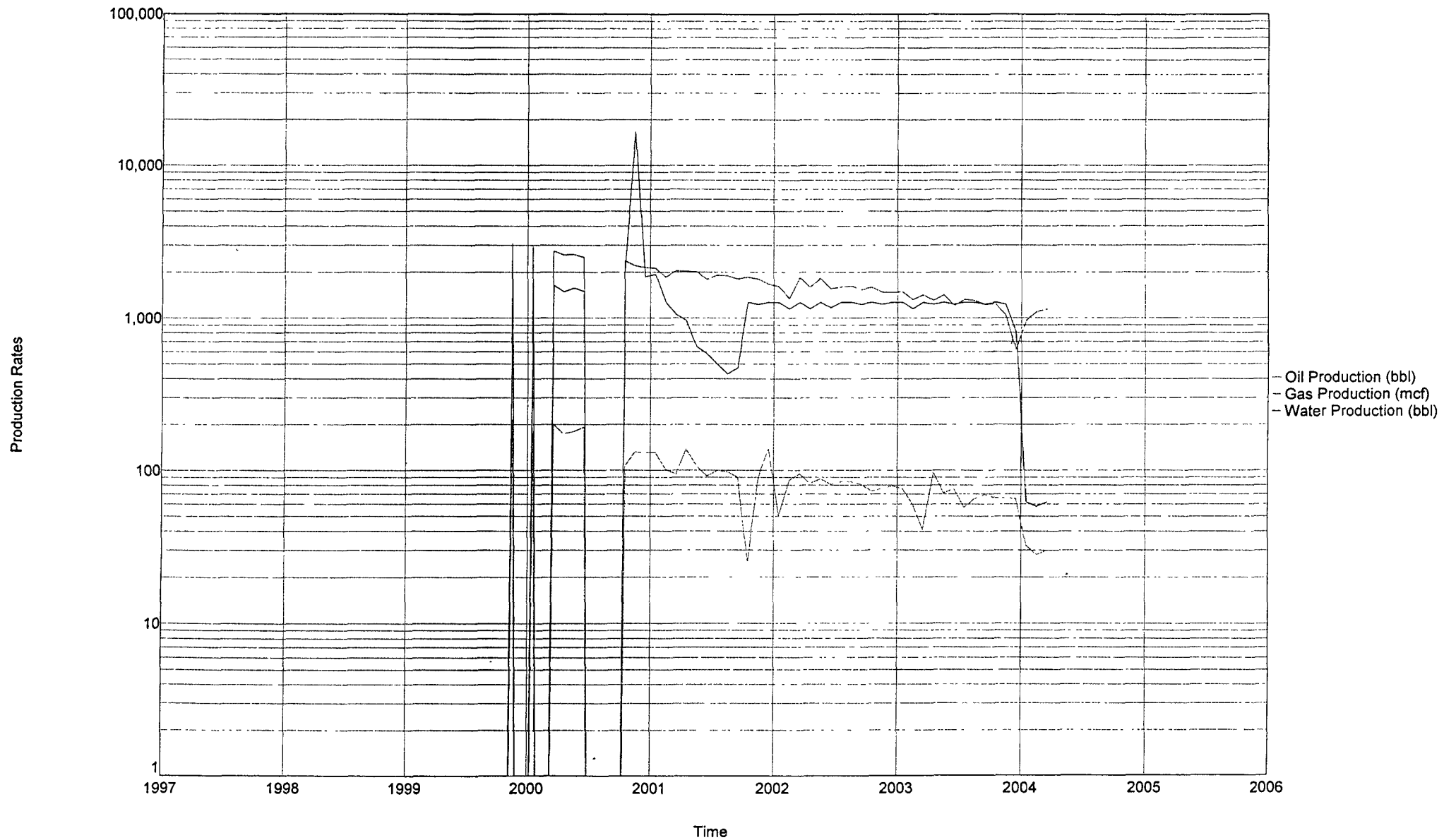
Totals:							
2003	809	14,901	14,504				

JAN 2004	32	967	62	33.10	65.96	1	31
FEB 2004	28	1,099	58	25.48	67.44	1	29
MAR 2004	30	1,140	62	26.32	67.39	1	31

Totals:							
2004	90	3,206	182				

Lease Name: BRUNSON ARGO
County, State: LEA, NM
Operator: PURE RESOURCES LIMITED PARTNER
Field: BLINEBRY
Reservoir: BLINEBRY
Location: 9 22S 37E

BRUNSON ARGO - BLINEBRY



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State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
March 4, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025- 34569 10145
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
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7. Lease Name or Unit Agreement Name Brunson Argo (26773)
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Pure Resources, L. P.

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500 W. Illinois Midland, Texas 79701

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OTHER: ☐

SUBSEQUENT REPORT OF:

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COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: Work Summary/Well History-Prep to DHC ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. If a pit or below-grade tank is involved in the operation, complete the reverse side of this form.

Work began on 5/12/04. POOH w/rods & tbg. Tagged fill @ 5836'. Ran logs over Paddock zone from 5809' - 2900'. Shot perfs from 5058' - 5302' (2SPF- 48 holes) in Paddock. RIH w/RBP and set @ 5400'. Aczd perfs f/ 5058'-5302' w/2500g acid & 80 ball sealers on 5/17/04. Started swabbing to recover load. Fracture treated Paddock zone w/76,300g gelled acid in 41,685g CO2 foam @ 45 BPM & 4850 psi, dropping 15 ball sealers for diversion. Started flowback of frac fluids on 5/21/04 w/CO2 remaining high. On 6/11/04, CO2 content still above acceptable percentages for sales (16%). On 6/17-18/04, work on well to fish pump and rods, caught fish, hot oiled tbg, POH w/rods & pump. R&R pump. RIH w/repairs pump & rods, and hang well on. Viable gas production from Paddock zone did not initialize until 6/28/04.

(PLEASE SEE ATTACHED WELL HISTORY REPORT)

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Alan W. Bohling TITLE Regulatory Agent

Type or print name Alan W. Bohling E-mail address: abohling@pureresources.com
(This space for State use)

APPROVED BY _____ TITLE ORIGINAL SIGNED BY
Conditions of approval, if any: PAUL F. KAUTZ
PETROLEUM ENGINEER

SEP 24 2004

District I

State of New Mexico

Submit 3 Copies To Appropriate District Office
District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
March 4, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025- 34509 10145
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Brunson Argo (26773)
8. Well Number 13
9. OGRID Number 150628
10. Pool name or Wildcat Paddock (49210)

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator Pure Resources, L. P.	
3. Address of Operator 500 W. Illinois Midland, Texas 79701	
4. Well Location Unit Letter <u>A</u> : <u>731</u> feet from the <u>North</u> line and <u>739</u> feet from the <u>East</u> line Section <u>9</u> Township <u>22S</u> Range <u>37E</u> NMPM County <u>Lea</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>3,414.5'; GR</u>	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: Work Summary/Well History-Prep to DHC ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. If a pit or below-grade tank is involved in the operation, complete the reverse side of this form.

Work began on 5/12/04. POOH w/rods & tbg. Tagged fill @ 5836'. Ran logs over Paddock zone from 5809' - 2900'. Shot perfs from 5058' - 5302' (2SPF- 48 holes) in Paddock. RIH w/RBP and set @ 5400'. Aczd perfs f/ 5058'-5302' w/2500g acid & 80 ball sealers on 5/17/04. Started swabbing to recover load. Fracture treated Paddock zone w/76,300g gelled acid in 41,685g CO2 foam @ 45 BPM & 4850 psi, dropping 15 ball sealers for diversion. Started flowback of frac fluids on 5/21/04 w/CO2 remaining high. On 6/11/04, CO2 content still above acceptable percentages for sales (16%). On 6/17-18/04, work on well to fish pump and rods, caught fish, hot oiled tbg, POH w/rods & pump. R&R pump. RIH w/repaid pump & rods, and hang well on. Viable gas production from Paddock zone did not initialize until 6/28/04.

(PLEASE SEE ATTACHED WELL HISTORY REPORT)

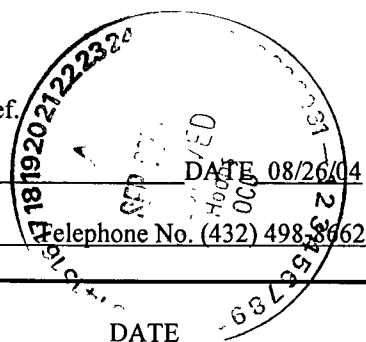
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Alan W. Bohling TITLE Regulatory Agent

Type or print name Alan W. Bohling E-mail address: abohling@pureresources.com
(This space for State use)

APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE SEP 24 2004

Conditions of approval, if any:



Pure Resources, Inc.
Well History

BRUNSON ARGO #13 From 1/1/1920 through 8/27/2004

Well Name BRUNSON ARGO #13

Lease Well 500760-0013

State: NM

County: LEA

Activity Date 5/12/2004

Type of Report: SERV JOB

INITIAL REPORT

Description SODN.

Times

Hours

Remarks

MIRU. BLEED PRESSURE OFF TBG. POOH W/84 - 7/8" , 139 - 3/4" RODS, 6 - 1 1/2" K-BARS, PULL ROD, FISH NECK & PLUNGER. ND 6" 900 WH, NUBOP. RELEASE TAC, RIH W/38' 2 3/8" TBG TO TAG TOF @ 5845'. NO PERFS COVERED, 93' OF OPEN RAT HOLE BELOW BOTTOM PERF. POOH W/TBG TO FLUID. RU TO SWAB TBG, MADE 3 RUNS. POOH W/REMAINING TBG. LD SLOTTED MA, SN & PUMP JT. PUMP WAS STUCK IN PUMP JT. RIH OPEN ENDED W/182 JTS 2 3/8" TBG TO BE SCANNED OUT IN THE AM. SDON. TOTAL MAN HRS 65.

Daily Cost

Cum Cost

AFE Amount

AFE #

\$2,587

\$2,587

Activity Date 5/13/2004

Type of Report: SERV JOB

PROGRESS REPORT

Description SDON.

Times

Hours

Remarks

DROVE CREW TO LOCATION. HELD SAFETY MEETING. TUBOSCOPE MIRU. POOH SCANNING 182 JTS 2 3/8 J55 TBG GRADED Y - 170, B - 2, G - 2. TUBOSCOPE RDMO. COMPUTALOG MIRU. RIH W/GR, CNL & CCL TO TAG TOF @5836', FL WAS @ 5800'. PUMP TRUCK AND REANSPOIT MIRU, ON CSG PUMPED 190 BBLS 2% KCL WHILE COMPUTALOG FROM 5809 TO 2900'. COMPUTALOG AND PUMP TRUCK RDMO. SDON. TOTAL MAN HRS 68.

Daily Cost

Cum Cost

AFE Amount

AFE #

\$4,089

\$6,676

Activity Date 5/14/2004

Type of Report: SERV JOB

PROGRESS REPORT

Description SDOW.

Times

Hours

Remarks

DROVE CREW TO LOCATION. HELD SAFETY MEETING. COMPUTALOG MIRU. WAIT 1 HR FOR LOG ANALYSIS. RIH W/4" SELECT FIRE GUN. PERFORATE PADDOCK @ 5058, 62, 69, 84, 91, 5104, 10, 22, 32, 43, 61, 72, 84, 97, 5208, 18, 31, 42, 48, 64, 84, 96, 5302' SHOT 48 HOLES, TOTAL 2 SPF. POOH W/GUNS, COMPUTALOG RDMO. RIH W/RBP & PKR ON 164 JTS 3 1/2" L80 9.3# TBG. LEFT RBP & PKR SWINGING @ 5063'. SDOW.

Daily Cost

Cum Cost

AFE Amount

AFE #

\$11,690

\$18,366

Activity Date 5/17/2004

Type of Report: SERV JOB

PROGRESS REPORT

Description SDON.

Times

Hours

Remarks

DROVE CREW TO LOCATION. HELD SAFETY MEETING. RIH W/RBP & PKR TO 5400', SET RBP, RU PETROPLEX ON TBG TO TEST RBP TO 1000 PSI, DIDN'T HOLD, DISCOVERED THAT PSI WAS LEAKING BACK THROUGH PUMP TRK. PRESSURED TO 1000 PSI AGAIN & SHUT VALVE ON TBG. PUT PRESSURE GUAGE IN TBG, RBP TEST OK, POH W/PKR TO 5303', CIRCULATE JOLE AND SPOT ACID ACROSS PERFS. POH W/PKR TO 4908', SET PKR, PRESSURE CSG TO 1000 PSI, START PUMPING WATER TO BREAK DN PERFS. PUMP 5 BBLS WTR, START PUMPING 2500 GAL ACID IN 8 STAGES W/80 BALLS SEALERS. GOOD BALL ACTION, DIDN'T BALL OUT. MAX PSI=2780, RATE=8 BPM, ISDP=1600, 2MIN=VAC. RD PETROPLEX, RU TO SWAB. TIW VALVE ID TOO SMALL FOR SWAB CUPS, WAIT ON LOWER PSI VALVE, RIH W/SWAB, FL @ 2600 FROM SURFACE, MADE 10 RUNS, FFL, 200' SCATTERED TO SN. TRACE OF OIL. RECOVERED 63 BBLS, TOTAL LOAD=140 BBLS. SDON. TOTAL MAN HRS 90.

Daily Cost

Cum Cost

AFE Amount

AFE #

\$10,833

\$29,199

Activity Date 5/18/2004

Type of Report: SERV JOB

PROGRESS REPORT

Description SDON.

Times

Hours

Remarks

DROVE CREW TO LOCATION, HELD SAFETY MEETING. TBG PSI=770 PSI. BLEED PRESSURE TO SWAB TAN. START SWABBING IFL @ 2000' FROM SURFACE & SCATTERED TO SN. MADE 16 RUNS RECOVERED 83 BBLS, 146 TOTAL. FFL @ 3400' SCATTERED TO SN. SDON.

Daily Cost

Cum Cost

AFE Amount

AFE #

\$4,140

\$33,339

Activity Date 5/19/2004
Description SDON

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE CREW TO LOCATION. HELD SAFETY MEETING. TBG PSI = 680. BLEED PRESSURE TO SWAB TANK. START SWABBING. IFL @ 3500' FROM SURFACE & SCATTERED TO SN. MADE 19 RUNS RECOVERED 78 BBLS. 222 TOTAL, FFL @ 3800' & SCATTERED TO SN. SDON.
TOTAL MAN HRS 45.

Daily Cost
\$6,734

Cum Cost
\$40,073

AFE Amount

AFE #

Activity Date 5/20/2004
Description SDON.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE CREW TO LOCATION. HELD SAFETY MEETING. HAD 600 PSI ON TBG. BLEED PRESSURE TO SWAB TANK. START SWABBING. IFL @ 3500' & SCATTERED TO SN. MADE 12 RUNS, RECOVERED 44 BBLS. 266 BBLS TOTAL FFL @ 4100' & SCATTERED TO SN. RD SWAB EQUIP. BJ SERVICES MIRU. PUMPED JELLED ACID - CO2 FRAC IN 4 STAGES. 1817 BBLS TOTAL FLUID, 179 TONS CO2 WERE PUMPED. 15 BALL SEALERS WERE DROPPED AT THE END OF 3RD PAD. HAD A 200 PSI INCREASE WHEN BALLS HIT. AVG PUMP RATE = 45 BPM, AVG PSI = 4850, MAX PSI = 5505, ISDP = 1640. 5 MIN - 1295, 10 MIN - 769, 15 MIN - 545. BJ RDMO. PU SDON. START FLOW BACK 1 HR AFTER JOB. IP = 350 PSI. CHOKE SET @ 15/64. PRESSURE WAS ZERO BY 12:00AM. SI 1 HR. LET PRESSURE BUILD TO 100 PSI. OPEN CHOKE TO 10/64. PRESSURE HELD. GETTING NO FLUID RETURN. OPEN CHOKE ALL THE WAY. UNLOADED 5 BBLS FLUID, PRESSURE CAME UP TO 480 PSI.
TOTAL MAN HRS 157.

Daily Cost
\$89,969

Cum Cost
\$130,042

AFE Amount

AFE #

Activity Date 5/21/2004
Description SDON.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE CREW TO LOCATION. HELD SAFETY MEETING. CONTINUE TO FLOW BACK FRAC JOB, RECOVERED 104 BBLS FROM 7:00AM TO 6:00AM SAT. PRESSURE HAD FALLEN TO ZERO ON A 10/64TH CHOKE.

Daily Cost
\$2,369

Cum Cost
\$132,411

AFE Amount

AFE #

Activity Date 5/24/2004
Description SDON.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE CREW TO LOCATION. HELD SAFETY MEETING. HAD SI WELL @ 9:00AM ON SUNDAY MORN AFTER WELL HAD DIED. WE HAD RECOVERED A TOTAL OF 330 BBLS FLUID @ 6:30 MONDAY MORNING. THE TBG PRESSURE WAS 790 PSI. FLOW TO SWAB TK FOR 3 HRS, RECOVERED 42 BBLS. 372 TOTAL. WELL DIED. RD MANIFOLD, RU TO SWAB. MADE 1 RUN FL @ 750. COULD NOT OUT RUN PRESSURE, SAND LINE AND SINKER BAR HUNG UP IN TIW. WELL FLOWING @ 50 PSI. RECOVERED 130 BBLS, 502 TOTAL. WELL HAD A LIGHT BLOW. NO SWAB EQUIP. RU KILL TRUCK. PUMPED 30 BBLS 6% KCL, TBG ON A VACUM. SDON.
TOTAL MAN HRS 79.

Daily Cost
\$7,926

Cum Cost
\$140,337

AFE Amount

AFE #

Activity Date 6/11/2004
Description SDON.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

PRO WELL TESTERS MIRU A TEMP. GAS FLARE. CO2 IN GAS @ 16%. CANNOT PUT GAS DOWN SALES LINE UNTIL CO2 GETS DOWN TO 5% OR LESS.
TOTAL MAN HRS 8.

Daily Cost
\$1,070

Cum Cost
\$141,407

AFE Amount

AFE #

Activity Date 6/17/2004
Description SDON.

Type of Report: SERV JOB

PROGRESS REPORT

Times

Hours

Remarks

DROVE CREW TO LOCATION. POH W/RDS. FOUND PULL TUBE ON PUMP UNSCREWED, RIH W/FISHING TOOL W/1 1/2 SLEEVE TO FISH PUMP. UNABLE TO CATCH PUMP, POH W/RDS & TOOL, RIH W/COMBINATION TOOL W/SLEEVE & SLIPS TO CATCH FISH NECK ON PUMP OR PULL TUBE. DIDN'T CATCH FISH, POH W/RDS & TOOL, RIH W/BABY RED TOOL, W/ 7/8 SLIPS, CAUGHT FISH, UNSEAT PUMP, HOT OIL TBG W/35 BBLS. POH W/RDS & PUMP, R&R PUMP, SDON.
TOTAL MAN HRS 71.5.

Daily Cost
\$2,887

Cum Cost
\$2,887

AFE Amount

AFE #

Activity Date 6/18/2004
Description RDMO.

Type of Report: SERV JOB

PROGRESS REPORT

Times	Hours	Remarks
		DROVE CREW TO LOC. RIH W/PUMP & RDS. HANG WELL ON, SPACING PUMP PLUNGER 6" OFF BTM. LOAD TBG W/8BBLs 2% KCL, PRESSURE TO 500 PSI W/DOWN HOLE PUMP. RDMO. TOTAL MAN HRS 29.5.
Daily Cost \$1,505	Cum Cost \$4,392	AFE Amount AFE #

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
March 4, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-34509 10145
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Brunson Argo (26773)
8. Well Number 13
9. OGRID Number 150628
10. Pool name or Wildcat Blinebry O&G (Oil) (06660) & Paddock (49210)

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH
PROPOSALS.)

1. Type of Well:
Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Pure Resources, L. P.

3. Address of Operator
500 W. Illinois Midland, Texas 79701

4. Well Location

Unit Letter A : 731 feet from the North line and 739 feet from the East line
Section 9 Township 22S Range 37E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3,414.5'; GR

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: Work to DHC Prod. & Tbg. Details ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. If a pit or below-grade tank is involved in the operation, complete the reverse side of this form.

This C-103 is to show work done to pull RBP from well, RIH w/production equipment and DHC production from the Blinebry Oil & Gas (oil) and Paddock pools.

Work began on 7/23/04, MIRU, bled pressure off tbg. POOH w/rods & pump. LD one 7/8" rod due to bad threads. ND 6" 900 WH. NUBOP. Release TAC. POOH w/2-3/8" tbg. Well was gassing. Pump truck MIRU & pumped 50 Bbls 2% KCL to kill gas flow. RIH w/retrieving tool & bull dog bailer on 171 jts 2-3/8" tbg. Stroked pump 4 times & latched on to RBP @ 5400'. Released RBP & POOH w/tbg., bailer, retrieving head & RBP @ 5400'. On 7/26/04, RIH w/2-3/8" tbg. and set @ 5,742.49', TAC @ 4,993.54'. RIH w/rods and pumping equipment. Hung well on. Well is now DHC producing.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Alan W. Bohling TITLE Regulatory Agent DATE 08/26/04

Type or print name Alan W. Bohling E-mail address: abohling@pureresources.com Telephone No. (432) 498-8662
(This space for State use)

APPROVED BY

Conditions of approval, if any:

ORIGINAL SIGNED BY
PAUL F. KAUTZ
PETROLEUM ENGINEER

DATE SEP 24 2004